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- A. The effort to establish and maintain complete control of the vast state machinery by the top party organs resulted in a rigid vertical party control while horizontal control or co-ordination of institutions on a common level was neglected. This lack of co-ordination between institutions on the same level can also be ascribed in part to the peculiar mentality developed in a police state, particularly a Communist one. A Communist Party member, to whom the management of an institution is entrusted, is expected to carry out instructions received from a higher level even though he disapproves of the instructions. He must not "criticize" his orders even in the event that they are subsequently rescinded as "mistakes." He knows that failure to comply with instructions may result in removal from office and loss of those special benefits connected with his position. At the same time, he knows that advancement and personal security come only to those who obey unquestioningly. All this knowledge breeds cringing deference to superiors, complete indifference to equals, and a bullying attitude toward subordinates.

Another reason for the lack of co-ordination on the same level is the general atmosphere of suspicion. Each person suspects everyone else and therefore takes the wise course of isolating himself and evincing interest in no business but his own. It is particularly unwise to show interest in any activities which may be of a confidential nature.

Following are instances where government departments have deliberately ignored the Foreign Office; there are possibly others:

- (a) The Ministry of Railways accepted less coal for reparations than the Hungarian Government was prepared to offer to other representatives of the Yugoslav Government.
- (b) The Post Office sent delegates to a telecommunication conference without consulting the Foreign Office.
- (c) The Ministry of Railways, without notifying the Foreign Office, negotiated with the Czechoslovakian Government regarding transportation and tariffs.
- (d) In matters pertaining to the World Bank, the International Fund, and the appointment of conference delegates, The Ministry of Finance habitually formulates its own policies and informs the Foreign Office only after action has been taken.

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